

19 August 1976

MEMORANDUM FOR THE RECORD

SUBJECT : Meeting with DDCI to Discuss the IG Report of Survey
of the Office of Personnel

REFERENCES: (a) IG Report of Survey of the Office of Personnel
dtd 30 March 1976
(b) OP's Response to the IG's Report of Survey dtd
28 May 1976
(c) Memo for DDCI fr DD/A dtd 23 Jul 76, subj:
Inspector General's Report of the Survey of
the Office of Personnel

1. Background

In reference c, Mr. Jack Blake forwarded the IG Report of Survey and OP's responses to the recommendations contained in the Report. In this memorandum Mr. Blake suggested that since the one major unresolved issue (decentralization of PMCD function) has been fully documented by both the IG and OP, there did not appear to be anything to gain by authoring additional papers on the subject and proposed that the DDCI hear verbal presentations on the issues involved. The DDCI agreed to this course of action and finally scheduled a meeting for discussion on 19 August 1976.

2. Notes from the Meeting

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Attendees: Mr. Knoche, [] and John Waller of
the IG, Mr. Blake, Fred Janney and []
Mr. Jim Taylor (Comptroller) was invited to
attend late in the meeting.

STATINTL

° Jack Blake opened the discussion by affirming that it appears that only Recommendations 7, 8 and 9 (relating to decentralization of Position Management and Classification) are the areas of disagreement but are of considerable significance. He suggested that the IG present their views first.

° John Waller (IG) stated that while he had studied the IG survey and supported the judgments of the IG team, he preferred to defer to [] for comment since he was the Team Leader for the survey.

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° [] stated that he could not really add much to the proposals and rationale contained in the survey report but stated that we (OP) appeared to have construed the IG's proposal as strongly endorsing decentralization of Position Management and Classification to the DD's. He said that he viewed decentralization as transferring the PMCD teams to the jurisdiction and control of the DD's - a move which the IG opposed. [] stated that their proposal would keep the PMCD organization "decentralized" in OP and would require the DD's to "consider" PMCD's recommendations before authenticating their T/O's.

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° Jack B. and F. Janney commented that under this arrangement the DD's would "consider" PMCD's proposals then go ahead and put positions on the books at the grades they wanted with D/Pers being put in the position of taking issue "after the fact" if he disagreed with the DD's action. An increase in issues having to be resolved at the DDCI level was inevitable. Jack observed that as a Deputy Director the IG's proposal was quite attractive and tempting but as an Agency manager he strongly believed the DD's should not have this authority.

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° H. Knoche observed that conferring this authority to the DD's would in effect put the "fox in the chicken coop."

° [] stated that he didn't see it this way and strongly believed the operators have substantive insights into requirements that PMCD does not nor cannot be expected to possess.

° Knoche asked how does PMCD get its information regarding these insights.

° I outlined the substantive data that PMCD has available on file including in-depth data from the operators themselves. I further pointed out the benefit of pursuing OP's alternate proposal that substantive Officers be assigned to PMCD to augment knowledge and input in the survey and adjudication process.

° John Waller commented that in the DDO there were highly sensitive programs which were closely held - such as NOC activities - which could not be opened up to PMCD and could only be properly evaluated by the DDO.

End of IG Presentation

° D/Pers then opened his presentation using the outline (attached) prepared by P&C.

° D/Pers placed particular emphasis on the external considerations (i.e., Presidential memo of May 76, the CSC's role as directed by the President, and the GAO study of Dec 75) as well as reaffirming the internal consequences of giving approval authority to DD's with only post audit monitoring and appeal to D/Pers.

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° John Waller acknowledged that external considerations are very compelling reasons to retain centralized responsibility with OP but still supported the IG proposal.

° [] stated that under their proposal it is probable that the number of appeals to the DDCI for resolution of differences between the DD's and D/Pers would increase but he still believed that DD's would be responsible and respect the opinions of PMCD in their considerations prior to approving their staffing complements.

° Jack B. observed that the DD's would make judgments - in good faith - from their own interest point of view - when they disagreed with the recommendations of PMCD - a situation which he, as a DD, couldn't endorse. He predicted that the DDCI would be faced with appeals and the DD's would be faced with internal pressures from their component managers to approve their requests as presented.

° H. Knoche asked if there were further comments from either side and asked Jim Taylor if he had any input. Jim Taylor indicated he couldn't add anything.

° H. Knoche then commented on other aspects of the IG's report and OP's responses. He asked Jack Blake - What's wrong with PERSIGN I and II? Why is it taking so long to get these programs on the air?

° Jack B. and I commented generally on the complexity, the interface problems and lack of resources. Hank Knoche stated that it might be in order to restudy the priorities of these systems.

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° H. Knoche then stated that in OP's response to the IG's observations in their report regarding the APP - we (OP) took a rather defensive stand. He did not elaborate further on this item.

° [] then observed that in regard to their recommendation on consolidation of pertinent soft files etc, into the Official Files, a memo would be required from the DDCI to the DD's if this recommendation is to be implemented.

° H. Knoche then stated that as regards the Position Management and Classification issue - i.e., retain centralization approach vis a vis a limited decentralization as proposed by the IG, he would defer his decision since he is planning to take a hard look at several other aspects of Agency personnel management as to whether they are most effectively being carried out under current authorities. This might take at least another two weeks. (?)

Meeting adjourned

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*This was the
DDCI's perception
that OP's
proposal*